

June 15, 2005

LETTER OF APPEAL
Schools and Libraries Division
Box 125 – Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

email – appeals@sl.universalservice.org

Billed Entity Name	Lower Merion School District
Billed Entity Number (BEN)	126079
Funding Request Number (FRN)	1177673
471 Application Number	421434
Funding Year	2004
Date of SLD Decision	May 24, 2005
Service Provider	Sunesys, Inc.
Service Provider ID	143019764

Name of Contact Person for Appeal	Christopher Stoffere
Address	301 E. Montgomery Ave. Ardmore, PA 19003-3338
Telephone Number	610-645-1962
Fax Number	610-645-9772
Email Address	STOFFEC@lmsd.org

Joint Appeal of Lower Merion School District and Sunesys, Inc.

The May 24, 2005 Funding Commitment Decisions Letter for Form 471 Application Number 421434, FRN 1177673, denied funding on the basis that “30% or more of this FRN includes a request for Dark Fiber which is an ineligible product(s)/service(s) based on program rules.”

Applicant Lower Merion School District and Sunesys, Inc., the service provider for this FRN, jointly appeal the SLD’s denial of funding for the following reasons.

The FRN at issue is for a leased wide area network, not for dark fiber services. Pursuant to a properly posted Form 470, the District entered into a contract for services with Sunesys as of January 18, 2001. The District successfully applied for discounts on this contract service in Funding Year 2001 (FRN 640926), Funding Year 2002 (FRN 865290) and in Funding Year 2003 (FRN 982355). When the District first solicited request for proposals which resulted in its contract with Sunesys, the District’s Form 470 indicated that it wanted to lease high speed broadband connectivity for all of its facilities. See 470 Application # 660340000329300 (Attachments 1.1 thru 1.7).

The parties' agreement *initially* provided for the District's leasing of dark fiber service, which was eligible for E-rate discounts for Funding Years 2001, 2002 and 2003. Beginning with Funding Year 2004, however, the FCC concluded that unlit or dark fiber service was no longer eligible for E-rate discounts.¹

In recognition of the fact that some applicants may have multi-year dark fiber lease agreements, the FCC specifically allowed applicants and service providers to amend their agreements to convert them to lit fiber agreements. The FCC stated that such an amendment would meet the minor contract modification definition:

if this was within the scope of the original contract and the change has no effect or negligible effect on price, quantity, quality, or delivery under the original contract. For instance, such a change could fit within the minor contract modification rule if the original contract was for the provision of high bandwidth transmission capability.²

This is the precise situation describing the Lower Merion School District's agreement with Sunesys. In compliance with the FCC's direction and guidance, the parties agreed that the wide area network agreement should be converted to a lease of lit fiber facilities. To accomplish this change, the parties agreed that beginning as of July 1, 2004, Sunesys took control of the WAN equipment associated with the District's network and became responsible for managing the Wide Area Network service including the associated electronics that lights the fiber.

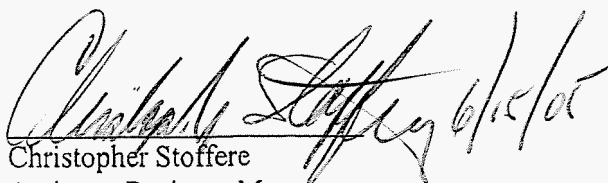
Notably, beginning July 1, 2004, the invoices stated that the service provided by Sunesys was for leased wide area network service and did not indicate that the service provided was for dark or unlit fiber. (See Attachments 2.1 thru 2.12). During an SLD inquiry, Lower Merion provided some documentation to SLD upon request. Unfortunately, Lower Merion provided some earlier documentation that referenced "dark fiber". This information did not properly portray the circumstances of which Lower Merion School District and Sunesys, Inc. have taken. Lower Merion entered into a lease for dark fiber service with Sunesys and successfully received funding for years 2001, 2002 and 2003. Prior to filing Form 471 (421434) for Year 2004, Lower Merion and Sunesys entered into a Minor Contract Modification whereby Sunesys would undertake the management of the Wide Area Network components, accompanied by the Bill of Sale for said components, effective July 01, 2004. (See Attachments 3.1 thru 3.2).

Based on this information, the parties request the SLD to reverse its denial and to approve funding of the FRN.

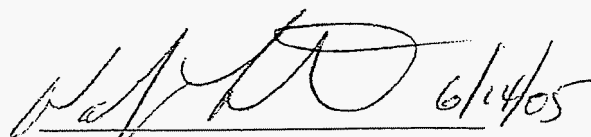
¹ Schools and Libraries Universal Service Support Mechanism, *Third Report and Order and Second Notice of Proposed Rulemaking*, CC Docket No. 02-6 (December 23, 2003) at footnote 156. See also SLD's Eligible Services List (October 10, 2003).

² *Id.* at footnote 155.

Respectfully submitted,



Christopher Stoffere
Assistant Business Manager
Lower Merion School District



Walter Tustin
Vice President Sales and Marketing
Sunesys, Inc.



Acrobat Document

Attachment 1



Adobe Acrobat 7.0
Document

Attachment 2



Adobe Acrobat 7.0
Document

Attachment 3

3 of 3

FCC Form

Approval by OMB
3060-0806**470**

Schools and Libraries Universal Service Description of Services Requested and Certification Form

Estimated Average Burden Hours Per Response: 4.0 hours

This form is designed to help you describe the eligible telecommunications-related services you seek so that this data can be posted on the Fund Administrator website and interested service providers can identify you as a potential customer and compete to serve you.

Please read instructions before beginning this application.

(To be completed by entity that will negotiate with providers.)

Block 1: Applicant Address and Identifications

Form 470 Application Number: 660340000329300
Applicant's Form Identifier: WAN-BRAD
Application Status: CERTIFIED
Posting Date: 12/19/2000
Allowable Contract Date: 01/16/2001
Certification Received Date: 12/27/2000

1. Name of Applicant: LOWER MERION SCHOOL DISTRICT		
2. Funding Year: 07/01/2001 - 06/30/2002		3. Your Entity Number 126079
4a. Applicant's Street Address, P.O.Box, or Route Number 301 E MONTGOMERY AVE		
City ARDMORE	State PA	Zip Code 19003-3338
b. Telephone number (610) 645- 1962		c. Fax number (610) 645- 1994
d. E-mail Address stoffec@lmsd.org		
5. Type Of Applicant		
<input checked="" type="checkbox"/> Individual School (individual public or non-public school) <input checked="" type="checkbox"/> School District (LEA; public or non-public[e.g., diocesan] local district representing multiple schools) <input type="checkbox"/> Library (including library system, library branch, or library consortium applying as a library) <input type="checkbox"/> Consortium (intermediate service agencies, states, state networks, special consortia)		
6a. Contact Person's Name: Christopher Stoffere		
<i>First, fill in every item of the Contact Person's information below that is different from Item 4, above. Then check the box next to the preferred mode of contact. (At least one box MUST be checked.)</i>		
6b. Street Address, P.O.Box, or Route Number		
<input checked="" type="checkbox"/> 301 E MONTGOMERY AVE <div style="display: flex; justify-content: space-between; margin-top: 5px;"> City State Zip Code </div>		

ATTACHMENT 1.1

ARDMORE	PA	19003-3338
6c. Telephone Number (610) 645- 1962		
6d. Fax Number (610) 645- 1994		
6e. E-mail Address stoffec@lmsd.org		

Block 2: Summary Description of Needs or Services Requested

7 This Form 470 describes (check all that apply):

a. ☒ Tariffed services - telecommunications services, purchased at regulated prices, for which the applicant has no signed, written contract. A new Form 470 must be filed for tariffed services for each funding year.

b. ☐ Month-to-month services for which the applicant has no signed, written contract. A new Form 470 must be filed for these services for each funding year.

c. ☒ Services for which a new written contract is sought for the funding year in Item 2.

d. ☐ A multi-year contract signed on or before 7/10/97 but for which no Form 470 has been filed in a previous program year.

NOTE: Services that are covered by a signed, written contract executed pursuant to posting of a Form 470 in a previous program year OR a contract signed on/before 7/10/97 and reported on a Form 470 in a previous year as an existing contract do NOT require filing of a Form 470.

What kinds of service are you seeking: Telecommunications Services, Internet Access, or Internal Connections? Refer to the Eligible Services List at www.sl.universalservice.org for examples. Check the relevant category or categories (8, 9, and/or 10 below), and answer the questions in each category you select.

8 ☒ Telecommunications Services
Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a. ☒ YES, I have an RFP. It is available on the Web at or via (check one):
☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b. ☒ NO , I do not have an RFP for these services.

If you answered NO, you must list below the Telecommunications Services you seek. Specify each service or function (e.g., local voice service) and quantity and/or capacity(e.g., 20 existing lines plus 10 new ones). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Telecommunications Services. Remember that only eligible telecommunications providers can provide these services under the universal service support mechanism. Add additional lines if needed.

Service or Function:	Quantity and/or Capacity:
leased high speed broadband connectivity between district schools for general network access	(9) Schools

9 ☐ Internet Access
Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a. ☒ YES, I have an RFP. It is available on the Web at or via (check one):
☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b. ☒ NO , I do not have an RFP for these services.

1.2

If you answered **NO**, you must list below the Internet Access Services you seek. Specify each **service or function** (e.g., monthly Internet service) and quantity and/or capacity (e.g., for 500 users). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internet Access services. Add additional lines if needed.

10 ☐ Internal Connections

Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a ☒ **YES**, I have an RFP. It is available on the Web at or via (check one):

☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b ☒ **NO**, I do not have an RFP for these services.

If you answered **NO**, you must list below the Internal Connections Services you seek. Specify each **service or function** (e.g., local area network) and quantity and/or capacity (e.g., connecting 10 rooms and 300 computers at 56kbps or better). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internal Connections services. Add additional lines if needed.

11 (Optional) Please name the person on your staff or project who can provide additional technical details or answer specific questions from service providers about the services you are seeking. This need not be the contact person listed in Item 6 nor the signer of this form.

Name:

Brad Miller

Title:

Telephone number

(610) 896 - 8220

Fax number

(610) 645 - 1994

E-mail Address

millerb@lmsd.org

12. ☐ Check here if there are any restrictions imposed by state or local laws or regulations on how or when providers may contact you or on other bidding procedures. Please describe below any such restrictions or procedures, and/or provide Web address where they are posted and a contact name and telephone number for service providers without Internet access.

13. If you intend to enter into a multi-year contract based on this posting or a contract featuring an option for voluntary extensions you may provide that information below. If you have plans to purchase additional services in future years, or expect to seek new contracts for existing services, summarize below (including the likely timeframes).

Block 3: Technology Assessment

14. ☐ **Basic telephone service only:** If your application is for basic local and long distance telephone service (wireline or wireless) only, check this box and skip to Item 16.

15. Although the following services and facilities are ineligible for support, they are usually necessary to make effective use of the eligible services requested in this application. Unless you indicated in Item 14 that your application is **ONLY** for basic telephone service, you must check at least one box in (a) through (e). You may provide details for purchases being sought.

1.3

- a. Desktop software: Software required ☒ has been purchased; and/or ☒ is being sought.
- b. Electrical systems: ☒ adequate electrical capacity is in place or has already been arranged; and/or ☒ upgrading for additional electrical capacity is being sought.
- c. Computers: a sufficient quantity of computers ☒ has been purchased; and/or ☒ is being sought.
- d. Computer hardware maintenance: adequate arrangements ☒ have been made; and/or ☒ are being sought.
- e. Staff development: ☒ all staff have had an appropriate level of training /additional training has already been scheduled; and/or ☒ training is being sought.
- f. Additional details: Use this space to provide additional details to help providers to identify the services you desire.

Block 4: Recipients of Service

16. Eligible Entities That Will Receive Services:

Check the ONE choice (a,b or c) that best describes this application and the eligible entities that will receive the services described in this application. You will then list in Item 17 the entity/entities that will pay the bills for these services.

a. ☐ Individual school or single-site library.

b. ☐ Statewide application for (enter 2-letter state code) PA representing (check all that apply):

- ☐ All public schools/districts in the state:
☐ All non-public schools in the state:
☐ All libraries in the state:

If your statewide application includes INELIGIBLE entities, check here. ☐ If checked, complete Item 18.

c. ☐ School district, library system, or consortium application to serve multiple eligible entities:

Number of eligible sites	10
<i>For these eligible sites, please provide the following</i>	
Area Codes (list each unique area code)	Prefixes associated with each area code (first 3 digits of phone number) separate with commas, leave no spaces
610	520, 525, 527, 642, 645, 649, 664, 667
If your application includes INELIGIBLE entities, check here. <input type="checkbox"/> If checked, complete Item 18.	

17. Billed Entities

List the entity/entities that will be paying the bills directly to the provider for the services requested in this application. These are known as Billed Entities. At least one line of this item must be completed. Attach additional sheets if necessary.

1.4

Entity	Entity Number
LOWER MERION SCHOOL DISTRICT	126079

18. Ineligible Participating Entities

Does your application also seek bids on services to entities that are not eligible for the Universal Service Program? If so, list those entities here (attach pages if needed):

Ineligible Participating Entity	Area Code	Prefix
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Block 5: Certification and Signature**19. The applicant includes:(Check one or both)**

- a. ☒ schools under the statutory definitions of elementary and secondary schools found in the No Child Left Behind Act of 2001, 20 U.S.C. Secs. 7801(18) and (38), that do not operate as for-profit businesses, and do not have endowments exceeding \$50 million; and/or
- b. ☒ libraries or library consortia eligible for assistance from a State library administrative agency under the Library Services and Technology Act of 1996 that do not operate as for-profit businesses and whose budgets are completely separate from any school (including, but not limited to elementary and secondary schools, colleges and universities).

20. All of the individual schools, libraries, and library consortia receiving services under this application are covered by:

- a. ☒ individual technology plans for using the services requested in the application, and/or
- b. ☒ higher-level technology plans for using the services requested in the application, or
- c. ☒ no technology plan needed; application requests basic local and/or long distance telephone service only.

21. Status of technology plans (if representing multiple entities with mixed technology plan status, check both a and b):

- a. ☒ technology plan(s) has/have been approved by a state or other authorized body.
- b. ☒ technology plan(s) will be approved by a state or other authorized body.
- c. ☒ no technology plan needed; application requests basic local and long distance telephone service only. .

22. ☒ I certify that the services the applicant purchases at discounts provided by 47 U.S.C. Sec. 254 will be used solely for educational purposes and will not be sold, resold, or transferred in consideration for money or any other thing of value.

23. ☒ I recognize that support under this support mechanism is conditional upon the school(s) or library(ies) I represent securing access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to use the services purchased effectively.

24. ☒ I certify that I am authorized to submit this request on behalf of the above-named entities, that I have examined this request, and to the best of my knowledge, information, and belief, all statements of fact contained herein are true.

25. Signature of authorized person: ☒

26. Date (mm/dd/yyyy): 12/09/2000

27. Printed name of authorized person: Christopher Stffere

28. Title or position of authorized person: Assistant Business Manager

1.5

29a. Address of authorized person:

City: State: Zip:

29b. Telephone number of authorized person: (610) 645 - 1962

29c. Fax number of authorized person: ()

29d. E-mail address number of authorized person:

Persons willfully making false statements on this form can be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

Service provider involvement with preparation or certification of a Form 470 can taint the competitive bidding process and result in the denial of funding requests. For more information, refer to the "Service Provider Role in Assisting Customers" at www.sl.universalservice.org/vendor/manual/chapter5.doc or call the Client Service Bureau at 1-888-203-8100.

NOTICE: Section 54.504 of the Federal Communications Commission's rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to file this Description of Services Requested and Certification Form (FCC Form 470) with the Universal Service Administrator. 47 C.F.R. § 54.504. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended. 47 U.S.C. § 254. The data in the report will be used to ensure that schools and libraries comply with the competitive bidding requirement contained in 47 C.F.R. § 54.504. All schools and libraries planning to order services eligible for universal service discounts must file this form themselves or as part of a consortium.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The FCC is authorized under the Communications Act of 1934, as amended, to collect the information we request in this form. We will use the information you provide to determine whether approving this application is in the public interest. If we believe there may be a violation or a potential violation of a FCC statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation or order. In certain cases, the information in your application may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government is a party of a proceeding before the body or has an interest in the proceeding. In addition, information provided in or submitted with this form or in response to subsequent inquiries may also be subject to disclosure consistent with the Communications Act of 1934, FCC regulations, the Freedom of Information Act, 5 U.S.C. § 552, or other applicable law.

If you owe a past due debt to the federal government, the information you provide may also be disclosed to the Department of the Treasury Financial Management Service, other Federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide the information to these agencies through the matching of computer records when authorized.

If you do not provide the information we request on the form, the FCC may delay processing of your application or may return your application without action.

The foregoing Notice is required by the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, et seq.

Public reporting burden for this collection of information is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the reporting burden to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, DC 20554.

Please submit this form to:

**SLD-Form 470
P.O. Box 7026
Lawrence, Kansas 66044-7026
1-888-203-8100**

For express delivery services or U.S. Postal Service, Return Receipt Requested, mail this form to:

**SLD-Form 470
c/o Ms. Smith
3833 Greenway Drive**

1.6

Lawrence, Kansas 66046
1-888-203-8100

FCC Form 470
May 2003

New Search

Return To Search Results

1.7



HIGH PERFORMANCE COMMUNICATIONS

202 TITUS AVE. WARRINGTON, PA 18976
TELEPHONE 267-927-2000
FAX 267-927-2090

INVOICE

REMIT TO ADDRESS
SUNESYS, INC.
P.O. BOX 7777-W1040
PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

SCOTT SHAFER

Customer PO# 714001
Customer WO#

Invoice Number
112019
Invoice Date
07-01-2004

Job Location:

34TH MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

Amount Billed \$25,247.00
Total Tax

DATE DUE: 07-01-2004

Amount Due \$25,247.00

ATTACHMENT 2.1



HIGH PERFORMANCE COMMUNICATIONS

202 TITUS AVE. WARRINGTON, PA 18976

TELEPHONE 267-927-2000

FAX 267-927-2090

INVOICE

REMIT TO ADDRESS

SUNESYS, INC.

P.O. BOX 7777-W1040

PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

SCOTT SHAFER

Customer PO# 714001

Customer WO#

Invoice Number
112188
Invoice Date
08-01-2004

Job Location:

35TH MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

Amount Billed
Total Tax

\$25,247.00

DATE DUE: 08-01-2004

Amount Due

\$25,247.00

2.2



HIGH PERFORMANCE COMMUNICATIONS

202 TITUS AVE. WARRINGTON, PA 18976
TELEPHONE 215-343-6300
FAX 215-343-3160

INVOICE

REMIT TO ADDRESS

SUNESYS, INC.
P.O. BOX 7777-W1040
PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

SCOTT SHAFER

Customer PO# 714001
Customer WO#

Invoice Number
112318
Invoice Date
09-01-2004

Job Location:

36TH MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

DATE DUE: 09-01-2004

Amount Billed \$25,247.00
Total Tax

Amount Due \$25,247.00

2.3



HIGH PERFORMANCE COMMUNICATIONS
202 TITUS AVE. WARRINGTON, PA 18976
TELEPHONE 215-343-6300
FAX 215-343-3160

INVOICE

REMIT TO ADDRESS
SUNESYS, INC.
P.O. BOX 7777-W1040
PHILADELPHIA, PA 19175-1040

Invoice Number
112463
Invoice Date
10-01-2004

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

SCOTT SHAFER

Job Location:

Customer PO# 714001
Customer WO#

37TH MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

DATE DUE: 10-01-2004

Amount Billed \$25,247.00
Total Tax

Amount Due \$25,247.00

24



HIGH PERFORMANCE COMMUNICATIONS
202 TITUS AVE. WARRINGTON, PA 18978
TELEPHONE 215-343-6300
FAX 215-343-3160

INVOICE

REMIT TO ADDRESS
SUNESYS, INC.
P.O. BOX 7777-W1040
PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

SCOTT SHAFER

Customer PO# 714001
Customer WO#

Invoice Number
112623
Invoice Date
11-01-2004

Job Location:

38TH MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

Amount Billed \$25,247.00
Total Tax

JOB # -

DATE DUE: 11-01-2004

Amount Due \$25,247.00

2.5



HIGH PERFORMANCE COMMUNICATIONS

202 TITUS AVE. WARRINGTON, PA 18976
TELEPHONE 215-343-6300
FAX 215-343-3160

INVOICE

REMIT TO ADDRESS
SUNESYS, INC.
P.O. BOX 7777-W1040
PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

SCOTT SHAFER

Customer PO# 714001
Customer WO#

Invoice Number
112800
Invoice Date
12-01-2004

Job Location:

39TH MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

DATE DUE: 12-01-2004

Amount Billed \$25,247.00
Total Tax

Amount Due \$25,247.00

2.6



HIGH PERFORMANCE COMMUNICATIONS
202 TITUS AVE. WARRINGTON, PA 18976
TELEPHONE 215-343-6300
FAX 215-343-3160

INVOICE

REMIT TO ADDRESS
SUNESYS, INC.
P.O. BOX 7777-W1040
PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

Invoice Number
112933
Invoice Date
01-01-2005

SCOTT SHAFER

Job Location:

Customer PO# 714001
Customer WO#

40TH MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

Amount Billed \$25,247.00
Total Tax

DATE DUE: 01-01-2005

Amount Due \$25,247.00

2.7



HIGH PERFORMANCE COMMUNICATIONS
202 TITUS AVE. WARRINGTON, PA 18976
TELEPHONE 215-343-6300
FAX 215-343-3160

INVOICE

REMIT TO ADDRESS
SUNESYS, INC.
P.O. BOX 7777-W1040
PHILADELPHIA, PA 19175-1040

Invoice Number
113122
Invoice Date
02-01-2005

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

SCOTT SHAFER

Customer PO# 714001
Customer WO#

Job Location:

41ST MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

Amount Billed \$25,247.00
Total Tax

DATE DUE: 02-01-2005

Amount Due \$25,247.00

2.8



HIGH PERFORMANCE COMMUNICATIONS

202 TITUS AVE. WARRINGTON, PA 18976

TELEPHONE 267-927-2000

FAX 267-927-2090

INVOICE

REMIT TO ADDRESS

SUNESYS, INC.

P.O. BOX 7777-W1040

PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

BUSINESS OFFICE

Customer PO# 614000

Customer WO#

Invoice Number
113278
Invoice Date
03-01-2005

Job Location:

42ND MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

Amount Billed \$25,247.00
Total Tax

DATE DUE: 03-01-2005

Amount Due \$25,247.00

2.9



HIGH PERFORMANCE COMMUNICATIONS

202 TITUS AVE. WARRINGTON, PA 18976

TELEPHONE 267-927-2000

FAX 267-927-2090

INVOICE

REMIT TO ADDRESS

SUNESYS, INC.

P.O. BOX 7777-W1040

PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

BUSINESS OFFICE

Customer PO# 614000

Customer WO#

Invoice Number
113435
Invoice Date
04-01-2005

Job Location:

43RD MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

Amount Billed \$25,247.00
Total Tax

DATE DUE: 04-01-2005

Amount Due \$25,247.00

2.10



HIGH PERFORMANCE COMMUNICATIONS

202 TITUS AVE. WARRINGTON, PA 18976

TELEPHONE 267-927-2000

FAX 267-927-2090

INVOICE

REMIT TO ADDRESS

SUNESYS, INC.

P.O. BOX 7777-W1040

PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT

301 E MONTGOMERY AVE

ARDMORE, PA 19003-9155

BUSINESS OFFICE

Customer PO# 614000

Customer WO#

Invoice Number

113604

Invoice Date

05-01-2005

Job Location:

44TH MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

Amount Billed

\$25,247.00

Total Tax

DATE DUE: 05-01-2005

Amount Due

\$25,247.00

2011



HIGH PERFORMANCE COMMUNICATIONS

202 TITUS AVE. WARRINGTON, PA 18978

TELEPHONE 267-927-2000

FAX 267-927-2090

INVOICE

REMIT TO ADDRESS

SUNESYS, INC.

P.O. BOX 7777-W1040

PHILADELPHIA, PA 19175-1040

LOWER MERION SCHOOL DISTRICT
301 E MONTGOMERY AVE
ARDMORE, PA 19003-9155

BUSINESS OFFICE

Customer PO# 614000

Customer WO#

Invoice Number
113796
Invoice Date
06-01-2005

Job Location:

45TH MONTHLY LICENSE FEE FOR MANAGED SERVICES - WIDE AREA NETWORK

25,247.00

JOB # -

Amount Billed \$25,247.00
Total Tax

DATE DUE: 06-01-2005

Amount Due \$25,247.00

2.12

COPY

MINOR CONTRACT MODIFICATION

This MINOR CONTRACT MODIFICATION is made as of January 19, 2004 between SUNESYS, INC., which has a place of business at 202 Titus Avenue, Warrington, PA 18976 ("SUNESYS") party of the first part, and the LOWER MERION SCHOOL DISTRICT, having a place of business at 301 East Montgomery Avenue, Ardmore, PA 19033 ("Licensee") party of the other part (also sometimes referred to jointly as "the parties"); and

WHEREAS, the Parties previously entered into a certain Dark Fiber License Agreement dated as of January 18, 2001 ("Agreement") wherein SUNESYS licensed the to Licensee the use of dark fiber; and

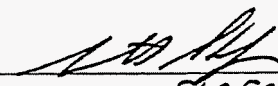
WHEREAS, the Licensee desires to keep the terms and conditions of the Agreement in force and to have that dark fiber lit by the provisioning of modulating electronics by SUNESYS; and

WHEREAS, Sunesys agrees to grant such modification to the Agreement and to provide such service.

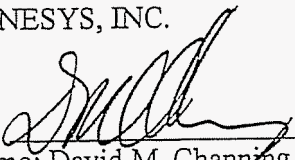
NOW, THEREFORE, for good and valuable consideration, and intending to be legally bound, the Parties agree as follows:

1. All references to Licensee's Fiber Optic Facilities shall include the modulating electronics.
2. The grant of license shall include the installation, operation, and maintenance of the modulating electronics.
3. SUNESYS shall have the right to grant and renew rights to any other entity to use SUNESYS' Wide Area Network or any other property of SUNESYS including the facilities used to provide service to Licensee over the Wide Area Network; provided, however, that during the term of this Agreement, SUNESYS shall have no right to grant and renew any rights to any entity that interferes with Licensee's use of the SUNESYS Wide Area Network.
4. Licensee may terminate this modification at will and revert back to the original terms and conditions of the Agreement.
5. This Modification shall not be effective until the latter of the execution by both Parties or July 1, 2004.

LOWER MERION SCHOOL DISTRICT

By: 
Name: SCOTT SHAFER
Title: BUSINESS MGR
Date: 1/22/04

SUNESYS, INC.

By: 
Name: David M. Channing
Title: Vice President
Date: January 19, 2004

ATTACHMENT 3.1

COPY

BILL OF SALE

Lower Merion School District (the "Seller"), of 301 East Montgomery Avenue, Ardmore, Pennsylvania 19003, does hereby sell, assign and transfer to Sunesys, Inc. (the "Buyer"), of 202 Titus Avenue, Warrington, Pennsylvania 18976, the following property.

PROPERTY: 18 Cisco GBIC modules
IDENTIFICATION NUMBER: Cisco #WS-G5486
AMOUNT: \$1.00

The Seller warrants that the property is being transferred to the Buyer free and clear of any liens and encumbrances.

The above property is sold on an "AS IS" basis. The Seller makes no warranties, express or implied.

This transfer is effective as of June 30, 2004.

The property is now located at the nine district location in the MDF (two GBIC's in each) and all of such property is in the possession of Carol Cafiero, Information Systems Coordinator.

SELLER:

Lower Merion School District

By: 
Scott Shafer, Business Manager

BUYER:

Sunesys, Inc.

By: 
David Channing